



Statement for 31/12/2008 on consolidated basis
Union Bank of Israel Ltd and its subsidiaries, Main data, NIS million

Taken from the annual report to 31.12.2008, reported amounts

Summary consolidated balance sheet	End of year			Banking group's share of the banking system		
	2008	2007	2006	2008	2007	2006
Cash and deposits in banks ⁽¹⁾	5,146	4,710	4,024	4.1%	3.7%	2.9%
Securities	6,920	8,051	6,287	5.0%	4.7%	3.8%
Securities borrowed or purchased under agreements to resell	11	0	0	0.8%	0.0%	0.0%
Credit to the public	18,539	17,503	17,270	2.5%	2.6%	2.8%
Credit to the government	0	0	31	0.0%	0.0%	1.3%
Investments in companies included on an equity basis	16	16	42	0.3%	0.3%	1.1%
Buildings and equipment	356	327	328	2.6%	2.6%	2.7%
Other assets	3,115	1,015	952	7.0%	3.8%	4.2%
Total assets	34,103	31,622	28,934	3.2%	3.1%	3.0%
Deposits of the public	27,799	26,713	25,340	3.4%	3.4%	3.3%
Deposits of banks ⁽¹⁾	177	516	90	0.9%	2.0%	0.4%
Deposits of the government	1	2	35	0.0%	0.0%	0.6%
Securities loaned or sold under agreements to repurchase	0	0	0	0.0%	0.0%	0.0%
Bonds and subordinated notes	1,323	1,295	816	2.0%	2.2%	1.6%
Other liabilities	3,234	1,510	1,081	4.1%	2.6%	2.0%
Total liabilities	32,534	30,036	27,362	3.3%	3.2%	3.1%
Minority shareholders' rights	0	0	0			
Equity	1,569	1,586	1,572	2.6%	2.6%	2.8%

Summary consolidated profit and loss statement	End of year			Banking group's share of the banking system		
	2008	2007	2006	2008	2007	2006
Net interest profit before loan-loss provision	580.0	613.0	539.0	3.1%	2.6%	2.4%
Loan-loss provision	94.0	80.0	82.0	1.8%	4.3%	2.6%
Operating and other income	251.0	283.0	265.0	1.9%	1.9%	1.8%
Of which: Operating income	241.0	236.0	217.0	1.9%	1.9%	1.9%
Operating and other expenses	629.0	599.0	569.0	2.4%	2.4%	2.3%
Of which: Salaries and related expenses	363.0	344.0	329.0	2.4%	2.3%	2.1%
Ordinary profit before-tax provision	108.0	217.0	153.0	4.9%	1.8%	1.6%
Provision for taxes on ordinary profit	56.0	93.0	74.0	4.4%	2.0%	1.7%
Ordinary after-tax profit	52.0	124.0	79.0	4.0%	1.7%	1.6%
Bank's share in the profit of subsidiaries	2.0	-1.0	0.0			
Minority shareholders' share in profit of consolidated companies	0.0	0.0	0.0			
Ordinary net profit	54.0	123.0	79.0	4.6%	1.6%	1.5%
Extraordinary after-tax profit	0.0	3.0	42.0			
Net profit	54.0	126.0	121.0	4.3%	1.4%	1.3%
Basic earning in NIS per share	0.9	2.1	2.2			

Balances and rates of return on financial items by indexation base on 31.12.2008 - consolidated	Unindexed NIS	CPI-indexed NIS	Foreign Currency ⁽²⁾	Total financial items
Balance of financial assets on balance-sheet date	18,668	4,393	10,300	33,361
Balance of financial liabilities on balance-sheet date	18,338	3,947	10,128	32,413
Excess of financial assets over financial liabilities	330	446	172	948
Total indexation balance (incl. Forwards ⁽³⁾ and options in term of basis assets)	1,082	-111	-23	948
Options at the money and out of the money (net, capitalized nominal value)	425	0	-425	0
Rate of income on assets (%) ⁽⁴⁾	4.81	8.70	4.91	5.25
Rate of expenses on liabilities (%) ⁽⁴⁾	-3.62	-7.67	-4.38	-4.37
Interest-rate spread	1.19	1.03	0.53	0.88

Internal rate of return on assets (%)	6.00	4.30	3.82	
Internal rate of return on liabilities (%)	4.44	4.01	2.00	
Difference	1.56	0.29	1.82	
Average duration of assets (years)	0.21	3.98	0.20	0.70
Average duration of liabilities (years)	0.19	3.11	0.14	0.50
Difference	0.02	0.87	0.06	0.20

⁽¹⁾ See note 5.1.7. in the introduction.

⁽²⁾ Including foreign-currency indexed NIS.

⁽³⁾ Forwards transactions.

⁽⁴⁾ including hedging, embedded and ALM derivatives.



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Union Bank of Israel Ltd., Additional data

(NIS millions, reported amounts)

Additional data	2008	2007
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Total off-balance-sheet and credit risk

Credit to the public and credit risk	19,976	18,790
Total off-balance-sheet credit risk	16,113	16,475
Total credit risk	36,089	35,265
<i>Of which:</i> Total risk of credit for housing loans	4,032	3,311
Total risk of credit to construction and real estate industr	7,029	6,518

Additional disclosure for bonds - fair value

Treasury bonds	5,631	6,795
mortgage and asset' backed bonds	80	225
other bonds	964	763

Problem borrowers

Total credit risk dew to problem borrowers	1,143	651
<i>Of which:</i> Total credit to problem borrowers	937	580

Data on derivatives

Notional amount	50,762	62,163
Gross positive fair value	2,534	884

Activity with interested and related parties

Total assets on balance-sheet date	187	158
<i>Of which:</i> credit to the public	102	84
Total liabilities on balance-sheet date (including quasi-capital items)	575	349

Branches and personnel

Number of employee posts in Israel, monthly average	1,161	1,120
Number of employee posts abroad, monthly average	0	0
Number of branches in Israe	35	34
Number of branches abroad	0	0

Main financial ratios, in annual terms (%)

Equity/risk-weighted-assets ratic	11.53	11.99
Equity/balance-sheet ratic	4.60	5.02
Financial capital/equity capital ratic	60.42	60.47
Ratio of problem loans to total credit to the public	5.03	3.30
Return on equity (net profit/average equity ratio)	3.40	8.10
Non-interest income/operating expenses ratic	39.90	47.25
Ratio of loan-loss provision to total credit to the public	0.51	0.46